

REFERENCE TITLE: auditor general; charter schools

State of Arizona  
Senate  
Fifty-seventh Legislature  
Second Regular Session  
2026

# **SB 1411**

Introduced by  
Senators Epstein; Gonzales, Ortiz; Representative Sandoval

AN ACT

AMENDING SECTIONS 15-120, 15-914.02, 41-1279.03 AND 41-1279.04, ARIZONA  
REVISED STATUTES; RELATING TO THE AUDITOR GENERAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 15-120, Arizona Revised Statutes, is amended to  
3 read:  
4 15-120. Suicide prevention training; approved materials;  
5 posting; immunity; spending classification  
6 A. ~~Beginning in the 2020-2021 school year,~~ School districts and  
7 charter schools shall provide training in suicide awareness and prevention  
8 for school guidance counselors, teachers, principals and other school  
9 personnel who work with pupils in grades six through twelve. Each person  
10 who is required to obtain training pursuant to this section shall complete  
11 that training at least once every three years. The training must include:  
12 1. Training in suicide prevention.  
13 2. Training to identify the warning signs of suicidal behavior in  
14 adolescents and teens.  
15 3. Appropriate intervention and referral techniques.  
16 B. The training prescribed in subsection A of this section:  
17 1. Must use evidence-based training materials.  
18 2. May be provided within the framework of existing in-service  
19 training programs offered by the school district or charter school or as  
20 part of professional development activities.  
21 C. The Arizona health care cost containment system administration  
22 shall make available suicide prevention training that complies with the  
23 requirements of this section and post this training information on the  
24 administration's website. ~~On or before July 1, 2020,~~ The administration  
25 shall identify or develop and post on the administration's website a list  
26 of approved materials that schools may use to provide the training  
27 prescribed in subsection A of this section. The administration shall  
28 annually update these approved materials.  
29 D. School personnel, entities or any other persons are not civilly  
30 liable for any actions taken in good faith pursuant to this section except  
31 in cases of gross negligence, wilful misconduct or intentional wrongdoing.  
32 E. The auditor general shall classify any costs incurred by school  
33 districts OR CHARTER SCHOOLS in implementing this section as classroom  
34 spending for the purposes of the ~~annual~~ report prepared pursuant to  
35 section 41-1279.03, subsection A, paragraph 9.  
36 Sec. 2. Section 15-914.02, Arizona Revised Statutes, is amended to  
37 read:  
38 15-914.02. School districts; charter schools; audit  
39 A school district OR CHARTER SCHOOL that is subject to audit  
40 pursuant to section 41-1279.03 shall comply with the reporting, follow-up  
41 and hearing participation requirements of that section.

1           Sec. 3. Section 41-1279.03, Arizona Revised Statutes, is amended to  
2 read:

3           41-1279.03. Powers and duties

4           A. The auditor general shall:

5           1. Prepare an audit plan for approval by the committee and report  
6 to the committee the results of each audit and investigation and other  
7 reviews conducted by the auditor general.

8           2. Conduct or cause to be conducted annual financial and compliance  
9 audits of financial transactions and accounts kept by or for all state  
10 agencies subject to the federal single audit requirements. The audits  
11 shall be conducted in accordance with generally accepted governmental  
12 auditing standards and accordingly shall include tests of the accounting  
13 records and other auditing procedures as may be considered necessary in  
14 the circumstances. The audits shall include the issuance of suitable  
15 reports as required by the federal single audit requirements so that the  
16 legislature, the federal government and others will be informed as to the  
17 adequacy of financial statements of this state in compliance with  
18 generally accepted accounting principles and to determine whether this  
19 state has complied with laws and regulations that may have a material  
20 effect on the financial statements and on major federal assistance  
21 programs.

22           3. Perform procedural reviews for all state agencies at times  
23 determined by the auditor general. These reviews may include evaluation  
24 of administrative and accounting internal controls and reports on these  
25 reviews.

26           4. Perform special research requests, special audits and related  
27 assignments as designated by the committee and conduct performance audits,  
28 special audits, special research requests and investigations of any state  
29 agency, whether created by the constitution or otherwise, as may be  
30 requested by the committee.

31           5. Annually on or before the fourth Monday of December, prepare a  
32 written report to the governor and to the committee that contains a  
33 summary of activities for the previous fiscal year.

34           6. In the fifth year and in each fifth year thereafter in which a  
35 transportation excise tax is in effect in a county as provided in section  
36 42-6106 or 42-6107, conduct a performance audit that:

37           (a) Reviews past expenditures and future planned expenditures of  
38 the transportation excise revenues and determines the impact of the  
39 expenditures in solving transportation problems within the county and, for  
40 a transportation excise tax in effect in a county as provided in section  
41 42-6107, determines whether the expenditures of the transportation excise  
42 revenues comply with section 28-6392, subsection B.

43           (b) Reviews projects completed to date and projects to be completed  
44 during the remaining years in which a transportation excise tax is in  
45 effect. Within six months after each review period, the auditor general

1 shall present a report to the speaker of the house of representatives and  
2 the president of the senate detailing findings and making recommendations.

3 (c) Reviews, determines, reports and makes recommendations to the  
4 speaker of the house of representatives and the president of the senate  
5 whether the distribution of Arizona highway user revenues complies with  
6 title 28, chapter 18, article 2.

7 7. If requested by the committee, conduct performance audits of  
8 counties and incorporated cities and towns receiving Arizona highway user  
9 revenue fund monies pursuant to title 28, chapter 18, article 2 to  
10 determine whether the monies are being spent as provided in section  
11 28-6533, subsection B.

12 8. Perform special audits designated pursuant to law if the auditor  
13 general determines that there are adequate monies appropriated for the  
14 auditor general to complete the audit. If the auditor general determines  
15 the appropriated monies are inadequate, the auditor general shall notify  
16 the **JOINT LEGISLATIVE AUDIT** committee. Based on information provided by  
17 the auditor general, for any legislative measure that requires the auditor  
18 general to perform a special audit, the joint legislative budget committee  
19 staff shall notify all the members of the legislature as soon as  
20 practicable of the cost to conduct the special audit.

21 9. Establish a schoolwide audit team in the office of the auditor  
22 general to conduct performance audits and monitor school districts **AND**  
23 **CHARTER SCHOOLS** to determine the percentage of every dollar spent in the  
24 classroom by the school district **OR CHARTER SCHOOL**. Each school district  
25 **AND CHARTER SCHOOL** shall prominently post on its website home page a copy  
26 of its profile pages that displays the percentage of every dollar spent in  
27 the classroom by that school district **OR CHARTER SCHOOL** from the most  
28 recent status report issued by the auditor general pursuant to this  
29 paragraph. The auditor general shall determine, through random selection,  
30 the school districts **AND CHARTER SCHOOLS** to be audited each year, subject  
31 to review by the joint legislative audit committee. A school district **OR**  
32 **CHARTER SCHOOL** that is subject to an audit pursuant to this paragraph  
33 shall notify the auditor general in writing whether the school district **OR**  
34 **CHARTER SCHOOL** agrees or disagrees with the findings of the audit and  
35 whether the school district **OR CHARTER SCHOOL** will implement the  
36 recommendations, implement modifications to the recommendations or refuse  
37 to implement the recommendations. The school district **OR CHARTER SCHOOL**  
38 shall submit to the auditor general a written status report on the  
39 implementation of the audit recommendations at the request of the auditor  
40 general, within the two-year period following the issuance of an audit  
41 conducted pursuant to this paragraph. The auditor general shall review  
42 the school district's **OR CHARTER SCHOOL'S** progress toward implementing the  
43 recommendations of the audit and provide status reports of the reviews to  
44 the joint legislative audit committee during this two-year period. The  
45 auditor general may review a school district's **OR CHARTER SCHOOL'S**

1 progress beyond this two-year period for recommendations that have not yet  
2 been implemented by the school district OR CHARTER SCHOOL. The school  
3 district OR CHARTER SCHOOL shall participate in any hearing scheduled  
4 during this review period by the joint legislative audit committee or by  
5 any other legislative committee designated by the joint legislative audit  
6 committee.

7 10. Annually review per diem compensation and reimbursement of  
8 expenses for employees of this state and members of a state board,  
9 commission, council or advisory committee by judgmentally selecting  
10 samples and evaluating the propriety of per diem compensation and expense  
11 reimbursements.

12 B. The auditor general may:

13 1. Subject to approval by the committee, adopt rules necessary to  
14 administer the duties of the office.

15 2. Hire consultants to conduct the studies required by subsection  
16 A, paragraphs 6 and 7 of this section.

17 C. If approved by the committee, the auditor general may charge a  
18 reasonable fee for the cost of performing audits or providing accounting  
19 services for auditing federal funds, special audits or special services  
20 requested by political subdivisions of this state. Monies collected  
21 pursuant to this subsection shall be deposited in the audit services  
22 revolving fund.

23 D. The department of transportation, the county treasurer, the  
24 county transportation excise tax recipients, ~~and~~ the board of supervisors  
25 of a county that has approved a county transportation excise tax as  
26 provided in section 42-6106 or 42-6107 and the governing bodies of  
27 counties, cities and towns receiving Arizona highway user revenue fund  
28 monies shall cooperate with and provide necessary information to the  
29 auditor general or the auditor general's consultant.

30 E. The department of transportation or the county transportation  
31 excise tax recipients shall reimburse the auditor general as follows, and  
32 the auditor general shall deposit the reimbursed monies in the audit  
33 services revolving fund:

34 1. For the cost of conducting the studies or hiring a consultant to  
35 conduct the studies required by subsection A, paragraph 6, subdivisions  
36 (a) and (b) of this section, from monies collected pursuant to a county  
37 transportation excise tax levied pursuant to section 42-6106 or 42-6107.

38 2. For the cost of conducting the studies or hiring a consultant  
39 pursuant to subsection A, paragraph 6, subdivision (c) and paragraph 7 of  
40 this section, from the Arizona highway user revenue fund.

1           Sec. 4. Section 41-1279.04, Arizona Revised Statutes, is amended to  
2 read:

3           41-1279.04. Authority to examine records; violation;  
4                                   classification; attorney general supervision

5           A. The auditor general or the auditor general's authorized  
6 representatives, in the performance of official duties, shall have access  
7 to employees and the authority to examine any and all books, accounts,  
8 reports, vouchers, correspondence files and other records, bank accounts,  
9 criminal history record information as defined in section 41-1701 and in  
10 accordance with section 41-1750, monies and other property of any state  
11 agency, board, commission, department, institution, program, advisory  
12 council or committee or political subdivision of this state, whether  
13 created by the constitution or otherwise, or such documents and property  
14 of a contractor relating to a contract with this state pursuant to section  
15 35-214. Any such agency or political subdivision that has such records  
16 under the officer's or employee's control, shall allow access to and  
17 examination of the records on the request of the auditor general or the  
18 auditor general's authorized representative.

19           B. The auditor general or the auditor general's authorized  
20 representatives, in the performance of official duties, shall have access  
21 to financial institutions' or financial enterprises' information,  
22 accounts, books, records, statements, reports, communications,  
23 transactions or any other information relating to any state agency, board,  
24 commission, department, institution, program, advisory council or  
25 committee or political subdivision of this state, whether created by the  
26 constitution or otherwise. On request of the auditor general or the  
27 auditor general's AUTHORIZED representatives and in the form and at the  
28 time prescribed by the auditor general, the financial institution or  
29 financial enterprise shall provide all information requested by the  
30 auditor general or the auditor general's authorized ~~representative~~  
31 REPRESENTATIVES. An authorized representative of the financial  
32 institution or financial enterprise shall certify all information provided  
33 to the auditor general or auditor general's authorized  
34 representatives. Costs or fees associated with producing the information  
35 requested by the auditor general or auditor general's authorized  
36 representatives shall be paid by the state agency, board, commission,  
37 department, institution, program, advisory council or committee or  
38 political subdivision. A financial institution or financial enterprise is  
39 not liable to the state agency, board, commission, department,  
40 institution, program, advisory council or committee or political  
41 subdivision for providing to the auditor general or auditor general's  
42 authorized representatives information requested pursuant to this  
43 subsection.

1 C. For the purpose of complying with section 41-1279.03, subsection  
2 A, paragraphs 4 and 9, the auditor general or the auditor general's  
3 authorized representative, in the performance of official duties, may  
4 attend executive sessions of the governing body of any state agency, ~~or~~  
5 school district **OR CHARTER SCHOOL** in this state.

6 D. For the purpose of auditing the department of revenue, the  
7 auditor general and the auditor general's authorized representatives have  
8 access to state tax returns, except that a report of the auditor general  
9 shall not violate the confidentiality of state tax laws.

10 E. For the purpose of complying with subsection A of this section,  
11 all officers of any state agency, board, commission, department,  
12 institution, program, advisory council or committee or political  
13 subdivision of this state shall provide reasonable space for auditor  
14 general staff and make records available, in the form and at the time  
15 prescribed.

16 F. Any officer or person who knowingly fails or refuses to allow  
17 access and examination pursuant to this section or who knowingly obstructs  
18 or misleads the auditor general in the execution of the auditor general's  
19 duties is guilty of a class 2 misdemeanor.

20 G. The attorney general shall supervise the prosecution of all  
21 offenders under this section.